

May 16, 2011

The Honorable Charles W. Boustany, Chairman
Ways and Means Subcommittee on Oversight
1136 Longworth House Office Building
Washington, DC 20515-6350

The Honorable John R. Lewis, Ranking Minority Member
Ways and Means Subcommittee on Oversight
1139E Longworth House Office Building
Washington, DC 20515-6350

Dear Chairman Boustany and Ranking Member Lewis:

We, the undersigned public employee unions, wish to correct for the record a statement made by Representative Devin Nunes (R-CA) during the Oversight Subcommittee's May 5th hearing on the transparency and funding of State and local defined benefit pension plans. In an exchange with witness Iris J. Lav, Representative Nunes stated that his legislation (H.R. 567, the Public Employee Pension Transparency Act) was put together to protect public employees, expressing the view that public employees would benefit from the new federal intrusion into how state and local governments report the financial status of its public employee pension plans.

On behalf of the approximately 8 million public employees our organizations collectively represent, we wish to assure the committee that we neither requested nor would welcome the burdensome and misguided new federal mandates that the legislation would impose. Our organizations strongly support pension plan transparency, and have worked for decades to improve reporting and disclosure requirements. Rather than providing meaningful measures, H.R. 567 could create a distorted picture of plan funding. The bill will not provide transparency as stated. Instead, it will create different measures than plans currently use--creating confusion among decision-makers and potentially leading states and local governments to abandon defined benefit public pension plans. Such a result would unquestionably be detrimental to the men and women employed by states and localities.

Organizations representing public employees are united in our opposition to this legislation, and we take strong exception to any claim that the legislation would benefit them.

Sincerely,

American Federation of State, County and Municipal Employees
American Federation of Teachers
Fraternal Order of Police
International Association of Fire Fighters
National Education Association
Service Employees International Union